



TELECOMMUNICATIONS DIVISION

AGENCY TELECOMMUNICATIONS REPRESENTATIVE

BULLETIN 04-07

DATE: December 1, 2004

SUBJECT: DISCONTINUED PUBLIC PAYPHONE SERVICES

ACTION:

- The Chief Agency Telecommunications Representatives should distribute copies of this bulletin to all ATRs, procurement, business services and fiscal staff, and to others in your department who may be affected by this information.

BENEFITS:

- With the expiration of the current payphone contracts on February 1, 2005, agencies may pursue their own contracts or service agreements to obtain public payphone services as noted below. The new payphone contract is limited to inmate/ward payphone services only.

KEY POINTS:

- The Department of General Services Telecommunications Division (DGS-TD) recently awarded a single new master contract to MCI for inmate/ward payphone services statewide (effective with the expiration of the current contracts). Public payphone services are discontinued from the new contract (not included).
- The current payphone contracts expire February 1, 2005. For more information on these contracts, see the DGS-TD website at <http://sequoiapacific.dts.ca.gov> Under "Contracts for Services" select "About the State Master Payphone Contract". The two primary contractors are MCI ([TD-ONS-01](#)) and Verizon California, Inc. ([TD-ONS-02](#)).
- Agencies currently receiving service under these contracts and desiring to continue public payphone services beyond January 31, 2005 may contract individually with the current provider(s) or contract with a new provider. The contacts for MCI and Verizon are:

MCI Contract TD-ONS-01 - Michael Patterson (916) 779-1922,
Michael.patterson@mci.com

Verizon Contract TD-ONS-02 - Sandy Martinez, (909) 783-3900,
<mailto:Sandy.martinez@verizon.com>

- If desired, agencies may cancel their current payphone agreement(s) under the above contracts with a 30-day written notice to the contractors.
- State agencies negotiating their own contracts must follow the acquisition policies in the State Administrative Management Memorandum 03-10, *Requirements for the use of California Multiple Award Schedules (CMAS), Master Agreements, and Non-Competitively Bid Contracts*. Refer to the DGS Procurement web page at <http://www.pd.dgs.ca.gov/mgmtmemo.htm>.

- Coordinate directly with the existing payphone contractors to maintain current payphone services, or to arrange transition to new service providers if selected.

BACKGROUND:

For many years through the master payphone contracts, California government agencies have provided public payphone services on government premises, and for inmates and wards in California's correctional and custodial facilities. Today, a number of industry changes such as increased use of cell phones, the Telecommunications Act of 1996, and other changes in the regulatory and operational environments have reduced usage and revenue from the public payphone concessions, thus affecting the viability of public payphones as a contract service.

A single new contract was awarded on October 29, 2004 to continue correctional payphone services, but public payphone services were eliminated due to the significantly reduced demand.

To view previous ATR bulletins, refer to the DGS Telecommunications website at <http://sequoiapacific.dts.ca.gov> (click on Network Publications on the right side of the page, then scroll down to the ATR bulletins).

For questions regarding this bulletin or other telecommunications issues, please call the DGS-TD Resource Communications Center at (916) 657-9903 (CALNET 437-9903), and ask to speak to a Customer Account Manager.

A handwritten signature in black ink, appearing to read "Barry R. Hemphill", with a long, sweeping underline.

BARRY R. HEMPHILL
Deputy Director for Telecommunications

BRH:pl